## AMENDED IN ASSEMBLY MAY 14, 2012 AMENDED IN ASSEMBLY MAY 3, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

No. 2174

## **Introduced by Assembly Member Alejo**

February 23, 2012

An act to amend Section 14611 of the Food and Agricultural Code, relating to fertilizer.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2174, as amended, Alejo. Fertilizer: reduction of use.

Existing law requires a person who manufactures or distributes fertilizing materials to obtain a license from the Secretary of Food and Agriculture. Under existing law, a licensee whose name appears on the label who sells or distributes bulk fertilizing materials is required to pay specified fees for each dollar of sales, including an amount not to exceed \$0.001 per dollar of sales for all sales of fertilizing materials, to provide funding for research and education regarding the use and handling of fertilizing material, including, but not limited to, any environmental effects.

This bill would specify that the use of the \$0.001 per dollar of sales fee is also for the support of specified education programs that result in more efficient and agronomically sound use of fertilizer-products materials and minimize the environmental impacts of fertilizer use, including, but not limited to, nitrates in groundwater, for the support of research programs that increase awareness of programs for efficient and agronomically sound use of fertilizer-products materials, and for the support of education on-eligibility for funding for projects that

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promote efficient and agronomically sound use of fertilizer-products materials. The bill would also require these education and research programs to be prioritized, as specified, for the distribution of funds from the \$0.001 per dollar of sales fee.

Vote: majority. Appropriation: no. Fiscal committee: <u>yes-no</u>. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14611 of the Food and Agricultural Code 2 is amended to read:

14611. (a) A licensee whose name appears on the label who sells or distributes bulk fertilizing materials, as defined in Sections 14517 and 14533, to unlicensed purchasers, shall pay to the secretary an assessment not to exceed two mills (\$0.002) per dollar of sales for all fertilizing materials. A licensee whose name appears on the label of packaged fertilizing materials, as defined in Sections 14533 and 14551, shall pay to the secretary an assessment not to exceed two mills (\$0.002) per dollar of sales. The secretary may, based on the findings and recommendations of the board, reduce the assessment rate to a lower rate that provides sufficient revenue to carry out this chapter.

- (b) In addition to the assessment provided in subdivision (a), the secretary may impose an assessment in an amount not to exceed one mill (\$0.001) per dollar of sales for all sales of fertilizing materials, to provide funding for research and education regarding the use and handling of fertilizing material, including, but not limited to, support for University of California Cooperative Extension, the California—Resources—Conservation—Districts resource conservation districts, other California institutions of postsecondary education, or other qualified entities to develop programs in the following areas:
- (1) Technical education for producers, as described in Sections 55408 and 64507, users of fertilizer materials in the development and implementation of nutrient management projects that result in more efficient and agronomically sound use of fertilizer products materials and minimize the environmental impacts of fertilizer use, including, but not limited to, nitrates in groundwater.
- (2) Research to assist producers, as described in Sections 55408 and 64507, to improve nutrient management practices resulting in

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more efficient *and agronomically sound* uses of fertilizer products *materials* and to minimize the environmental impacts of fertilizer use, including, but not limited to, nitrates in groundwater.

- (3) Education to producers, as described in Sections 55408 and 64507, to increase awareness of the following:(A) Efficient efficient and agronomically sound use of fertilizer products to reduce the environmental impacts resulting from the over use or inefficient use of fertilizing materials.
- (B) The use of funds under this subdivision and eligibility requirements for funding for projects that promote efficient fertilizer use and reduce environmental impacts resulting from the over use or inefficient use of fertilizing materials.
- (e) The distribution of funds to programs under paragraphs (1) to (3), inclusive, subdivision (b) shall be prioritized in the order in which they are listed.